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# WISCONSIN MEDICAID UPDATE

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NOVEMBER 21, 1997

UPDATE 97-38

TO:  
Nursing Homes

## Reimbursement Changes for Nurse Aide Training and Competency Evaluation Program (NATCEP) - Effective October 1, 1997

### Interim reimbursement method effective October 1, 1997

Effective October 1, 1997, Wisconsin Medicaid established an interim reimbursement method for NATCEP costs. The interim method ensures that NATCEP costs are properly allocated between Wisconsin Medicaid, Medicare, and private pay residents, following federal guidelines.

Max Cap is the highest amount that Wisconsin Medicaid may pay. Nursing facilities will receive a percentage of the Max Cap based on their Medicaid utilization. The Max Cap is currently \$225.00 for nurse aide training (NAT) and \$61.50 for the competency test (CEP). Refer to the chart for more details on the interim method.

Wisconsin Medicaid will make the Fourth Quarter 1997 Nurse Aide Training and Testing payment based on the interim method.

### Nursing facilities must pay aides the Max Cap if aide's cost was equal or greater than Max Cap

Even though some nursing facilities are no longer eligible for the Max Cap, they must reimburse the aide the Max Cap if the aide's cost was equal to, or greater than, the Max Cap.

#### NATCEP Costs Interim Reimbursement Method

<u>Medicaid Utilization*</u>	<u>Percent of Max Cap Reimbursed**</u>
90.0-100%	100%
80.0-89.9%	90%
70.0-79.9%	80%
60.0-69.9%	70%
50.0-59.9%	60%
0.0-49.9%	50%

\* Number of adjusted Medicaid patient days divided by the total adjusted patient days, as reflected in a facility's most recent audited Medicaid Cost Report.

\*\* Highest amount that Wisconsin Medicaid may pay. The Max Cap is currently \$225.00 for nurse aide training (NAT) and \$61.50 for the competency test (CEP).

#### *An example:*

Jane Doe's employer is reimbursed 80 percent of the Max Cap since the facility's Medicaid utilization is 72 percent. (See the chart for the interim reimbursement method.) Jane's NAT was \$325.00 and her CEP was \$75.00. The nursing facility must reimburse the aide the Max Caps, which are \$225 and \$61.50.

The nursing facility will receive 80 percent of \$225 and 80 percent of \$61.50 from Wisconsin Medicaid. Nursing facilities must pick up the difference from Medicare and private pay residents.

## **Wisconsin Medicaid will establish permanent reimbursement method**

As required under federal law, Wisconsin Medicaid will establishing a method to ensure that nursing facilities are reimbursed a percentage of their actual costs if the costs are less than the Max Cap.

In order to establish a permanent method, Wisconsin Medicaid will:

- Conduct a survey to determine the current cost of facility-based NATCEPs. The outcome of that survey will help Wisconsin Medicaid establish a new Max Cap for NAT and CEP.

- Revise the Nurses Aide Training and Competency Evaluation Reimbursement Request Form. When the new form is implemented, nursing facilities must list the nurse aide's training and testing costs.
- Implement the new Max Cap and the updated Nurses Aide Training and Competency Evaluation Reimbursement Request Form at the same time. We will explain the identification of costs in a future Medicaid Update accompanying the new billing form.

If you have questions about the Medicaid reimbursement policies for NATCEP, please contact the Bureau of Health Care Financing Nursing Home Section at (608) 267-0996 or (608) 267-9312.

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